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RHMCSUU/FBI WASHINGTON DC 0000  
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UNCLAS STATE 001207

SENSITIVE  
SIPDIS  
BUENOS AIRES FOR BRIAN JENSEN

E.O. 12958: N/A  
TAGS: [ETTC](#) [KOMC](#) [AR](#)  
SUBJECT: BLUE LANTERN LEVEL 2: PRE-LICENSE END-USE CHECK  
ON LICENSE 050207564

¶1. (U) This is an Action Request. See paragraph 4.

¶2. (U) The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a pre-license check on license 050207564 for the export of grenade and grenade launchers to Argentina. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. (SBU) Reason for Request: A previous unfavorable Blue Lantern conducted by Embassy Guatemala was unable to verify the existence of a contract or purchase order issued by the Guatemalan government agency listed on the license for grenade launchers. That license was submitted by U.S. company Combined Systems Inc. The current export license request was also submitted by Combined Systems and does not/not include an import permit issued by the Government of Argentina or any documentation from the listed Argentine end-user, Seguridad y Derechos Humanos Servicio Penitenciario Deferal. This check is for Post to establish the bona fides of this transaction and verify that the end-user did, in fact, order the grenades and grenade launchers listed on this license. The request is also to establish the bona fides of foreign intermediate consignee, Sociedad Internacional de Representaciones S.A., which has not previously been subject to a Blue Lantern check.

¶4. (SBU) Action Request: Post is requested to establish the bona fides of this transaction and Sociedad Internacional de Representaciones S.A. by making inquiries to representatives of the company and appropriate authorities of the Government of Argentina. The following points are included for guidance:

(To Sociedad Internacional de Representaciones S.A.)

--When was your company established and who are its principals?

--What products and services does your company provide? Who are your regular customers and where do they reside?

--What are your annual sales of U.S.-origin defense articles?

--Do you sell defense articles to customers that reside outside Argentina? If so, who are these customers and where do they reside?

--What is your role in this transaction? Please describe the exact services you are providing. How are you being compensated for these services?

--On this license, you are listed as a "representative."  
What entities do you represent in this transaction? Can you describe your relationship with Combined Systems Inc.?

--Please provide all documentation you received from the ultimate end-user of these items (e.g. purchase order and/or contract).

--Will you ever have physical possession of these items? If so, please describe your security facilities and procedures.

--Are you familiar with the regulations governing the import and brokering of U.S.-origin defense articles, including restrictions on unauthorized re-transfer or re-export and the requirement for brokers to register with the U.S. Department of State?

(To Seguridad y Derechos Humanos Servicio Penitenciario Deferral)

--Can you confirm that your agency ordered the defense articles listed on this license? Please provide all documentation you issued for this transaction.

--Can you verify the exact types and quantities of defense articles your agency ordered in this transaction? For what will these items be used?

--What role is Sociedad Internacional de Representaciones S.A. playing in this transaction? Will your agency compensate the company in any way? If so, please describe the services the company provides and the terms under which they will be compensated.

--Will Sociedad Internacional de Representaciones S.A. ever have physical possession of these items?

(To Appropriate Import/Export and/or Law Enforcement Authorities)

--Is Sociedad Internacional de Representaciones S.A. properly authorized to import, broker, and/or sell defense articles in Argentina?

--Do you have any information on Sociedad Internacional de Representaciones S.A. that would call in to question their reliability as a recipient of U.S. defense articles?

In its reply, Post may also comment on any other information pertinent to these transactions such as security of facilities, end-use, and concerns about the entities involved.

15. (U) Details of license applications:

DTC Case: 050207564

QUANTITY/COMMODITY:

30 37/40mm Grenade Launchers, PGL-65

7,000 37/40mm Short Range CS Cartridges, Product No. 3230

3,600 37/40mm Short Range CS Cartridges, Product No. 3233

3,600 CS Grenades # 8230

3,500 CS Grenades # 9230

3,200 Aerosol OC MK40 Grenades, # 1443

License Value: USD \$312,265

SELLER:

Combined Systems Inc.  
98 Cuttermill Road, Suite 231  
Great Neck, NY 11021

FOREIGN INTERMEDIATE CONSIGNEE:

Sociedad Internacional de Representaciones S.A.  
Bucarelli 993  
Buenos Aires, Argentina  
Tel: ( 005411) 4524-2141

FOREIGN END-USER:

Ministerio de Justicia  
Seguridad y Derechos Humanos Servicio Penitenciario Deferal  
Buenos Aires, Argentina

PURPOSE:

Anti-Riot Control

¶6. (U) Submitted in support of the license application were the following documents (PM/DTCC will fax documentation to Posts upon request):

DSP-83 Nontransfer and Use Certificate signed by Jacob Kravel (Combined Systems) dated 01/04/2010; Manuel Roberto Arean (SIR) date obscured; and Jose Ignacio Saulnier (Ministerio de Justicia) dated 12/29/2009

Purchase Order No. 023/2009 issued by Sociedad Internacional de Representaciones S.A. signed by Manuel Roberto Arean dated 12/28/2009

¶7. (U) Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Kyle M. Ballard, Phone: 202-663-1929; Email: BallardKM@state.gov; SIPRNET: BallardKM@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file on Intellipedia: [http://www.intelink.gov/wiki/Blue Lantern End-Use Monitoring Program](http://www.intelink.gov/wiki/Blue_Lantern_End-Use_Monitoring_Program)

¶8. (U) Department is grateful for Post's assistance in this matter.  
CLINTON